

**NINTH LEGISLATIVE DAY
TUESDAY, JANUARY 16, 2007**

House of Representatives

The House convened at 11:45 a.m., the Speaker in the Chair.

Roll call showed all 70 members present.

Prayer was offered by Representative Bell.

The Pledge of Allegiance was led by Jacob Lambert, Page.

Approval of Journal

January 16, 2007

Mr. Speaker:

We, your COMMITTEE ON JUDICIARY, RULES, AND ADMINISTRATION, report that we have read and approved the House Journal of the Eighth Legislative Day and recommend that same be adopted as corrected.

CLARK, Chairman

Mr. Clark moved that the report be adopted. Seconded by Mrs. Boe. Report adopted.

**Consideration of Messages from the
Governor and the Senate**

THE OFFICE OF THE GOVERNOR
EXECUTIVE DEPARTMENT
BOISE, IDAHO

CERTIFICATE OF APPOINTMENT

KNOW ALL MEN, by these Presents that pursuant to the provisions of Section 59-904A, Idaho Code, the Legislative District 13, Canyon County Committee of the Republican Party has submitted a list of three names for consideration in filling a vacancy in the District 13, Canyon County Legislative House of Representatives seat.

NOW, THEREFORE, I, C. L. "BUTCH" OTTER, Governor of the State of Idaho, by virtue of the authority vested in me by Section 59-904A, Idaho Code, do hereby appoint Steve Kren, to the position of State Representative, District 13, Canyon County, for a term commencing on January 16, 2007, and continuing until the next general election when the term of office expires.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho.

Done at Boise, the Capital of Idaho, this 16th day of January in the year of our Lord two thousand and seven, and of the Independence of the United States of America, the two hundred and thirty-first year.

/s/ C. L. "BUTCH" OTTER
Governor
/s/ BEN YSURA
Secretary of State

The Certificate of Appointment was ordered filed in the office of the Chief Clerk.

The Speaker announced the oath of office had previously been administered to Mr. Kren.

Report of Standing Committees

January 16, 2007

Mr. Speaker:

We, your COMMITTEE ON JUDICIARY, RULES, AND ADMINISTRATION report that we have printed **HCR 7, H 4, H 5, H 6, H 7, H 8, and H 9.**

CLARK, Chairman

H 4, H 5, and H 6 were referred to the Health and Welfare Committee.

H 7, H 8, and H 9 were referred to the Revenue and Taxation Committee.

HCR 7 was filed for second reading.

January 16, 2007

Mr. Speaker:

We, your COMMITTEE ON REVENUE AND TAXATION, report that we have had under consideration **H 3** and recommend that it do pass.

LAKE, Chairman

H 3 was filed for second reading.

There being no objection, the House advanced to the Eighth Order of Business.

**Introduction, First Reading, and Reference
of Bills and Joint Resolutions**

**HOUSE BILL NO. 10
BY REVENUE AND TAXATION COMMITTEE**

AN ACT

RELATING TO TECHNICAL CORRECTIONS TO THE SALES TAX ACT; AMENDING SECTION 63-3620C, IDAHO CODE, TO DELETE THE REQUIREMENT THAT RETAILERS DISCLOSE TAXPAYER IDENTIFICATION NUMBERS ON CERTAIN STATEMENTS; AMENDING SECTION 63-3622R, IDAHO CODE, TO CLARIFY THE EXEMPTION FOR GLIDER KIT VEHICLES; AND AMENDING SECTION 63-3622JJ, IDAHO CODE, TO DELETE RESEARCH FROM THE EXCLUSION FROM THE LOGGING EXEMPTION.

**HOUSE BILL NO. 11
BY REVENUE AND TAXATION COMMITTEE**

AN ACT

RELATING TO DIRECT SHIPMENT AND TAXATION OF WINE; AMENDING SECTION 23-1309A, IDAHO CODE,

TO PERMIT ISSUANCE OF DIRECT SHIPPER PERMITS TO HOLDERS OF WINE LICENSES ISSUED IN IDAHO AND OTHER STATES, TO REVISE DUTIES OF THE WINE DIRECT SHIPPER PERMIT HOLDER, TO CLARIFY THE PAYMENT OF SALES AND USE TAXES AND WINE EXCISE TAXES ON WINE SOLD UNDER A DIRECT SHIPPER PERMIT, TO CLARIFY OTHER DUTIES OF THE HOLDER OF A DIRECT SHIPPER PERMIT, TO CONTINUOUSLY APPROPRIATE TO THE IDAHO STATE POLICE AND STATE TAX COMMISSION FEES FOR DIRECT SHIPPER PERMITS AND TO PROHIBIT THE DIRECT SHIPMENT OF WINE TO CONSUMERS BY ANY PERSON NOT HOLDING A DIRECT SHIPPER PERMIT; AND AMENDING SECTION 23-1319, IDAHO CODE, TO IMPOSE THE WINE EXCISE TAX ON HOLDERS OF WINE DIRECT SHIPPER PERMITS, TO PROVIDE THAT EVERY SALE OF WINE TO A RETAILER OR CONSUMER IN THIS STATE IS FOR USE IN THIS STATE AND TO PROVIDE THAT THE SELLER IS LIABLE TO THIS STATE FOR WINE EXCISE TAX.

HOUSE BILL NO. 12
BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO THE INCOME TAX; AMENDING SECTION 63-3025A, IDAHO CODE, TO PROVIDE A CORRECT REFERENCE TO THE IDAHO NATIONAL LABORATORY; AMENDING SECTION 63-3027, IDAHO CODE, TO PROVIDE A CORRECT REFERENCE TO THE IDAHO NATIONAL LABORATORY AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 63-3067A, IDAHO CODE, TO DELETE THE REQUIREMENT THAT DONATIONS TO THE AMERICAN RED CROSS MADE BY CHECKOFF MUST BE TEN DOLLARS AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 63-3072, IDAHO CODE, TO CLARIFY THAT THE TIME FOR CLAIMING A REFUND OR CREDIT OF INCOME TAX ATTRIBUTABLE TO CAPITAL LOSS CARRYBACKS IS THE FIFTEENTH DAY OF THE FORTIETH MONTH FOLLOWING THE END OF THE TAXABLE YEAR OF THE CAPITAL LOSS WHICH RESULTS IN THE CARRYBACK; AMENDING SECTION 63-4407, IDAHO CODE, TO REVISE RECAPTURE PROVISIONS IN THE SMALL EMPLOYER INCENTIVE ACT; AMENDING SECTION 63-3087, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE; AMENDING SECTION 63-2516, IDAHO CODE, TO DELETE A CODE REFERENCE; AMENDING SECTION 63-2563, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE; AMENDING SECTION 23-1050A, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE; AND AMENDING SECTION 23-1322A, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE AND TO MAKE A TECHNICAL CORRECTION.

HOUSE BILL NO. 13
BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO INCOME TAX; AMENDING SECTION 63-3022O, IDAHO CODE, TO CLARIFY HOW DEPRECIATION IS CALCULATED FOR IDAHO TAXABLE INCOME ON THE SALE, EXCHANGE OR OTHER DISPOSITION OF DEPRECIABLE PROPERTY AND TO PROVIDE THE PERIOD OF LIMITATIONS; DECLARING AN EMERGENCY AND PROVIDING A RETROACTIVE EFFECTIVE DATE.

HOUSE BILL NO. 14
BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO MOTOR FUELS TAXES; AMENDING SECTION 63-2401, IDAHO CODE, TO REVISE THE DEFINITION OF "BIODIESEL," TO PROVIDE A DEFINITION OF "BIODIESEL BLEND" AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 63-2407, IDAHO CODE, TO CLARIFY THE DEDUCTION FOR BIODIESEL AND BIODIESEL BLENDS; AND AMENDING SECTION 41-4903, IDAHO CODE, TO INCLUDE BIODIESEL AND BIODIESEL BLENDS IN PRODUCTS SUBJECT TO THE PETROLEUM TRANSFER FEE.

HOUSE BILL NO. 15
BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO INCOME TAXES; AMENDING SECTION 63-3026A, IDAHO CODE, TO PROVIDE THAT NONRESIDENT INDIVIDUALS SHALL NOT BE TAXABLE ON INVESTMENT INCOME DISTRIBUTED BY A QUALIFIED INVESTMENT PARTNERSHIP AND TO DEFINE "QUALIFIED INVESTMENT PARTNERSHIP"; DECLARING AN EMERGENCY AND PROVIDING A RETROACTIVE EFFECTIVE DATE.

HOUSE BILL NO. 16
BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO INCOME TAXES; AMENDING SECTION 63-3004, IDAHO CODE, TO UPDATE REFERENCES TO THE INTERNAL REVENUE CODE; DECLARING AN EMERGENCY AND PROVIDING A RETROACTIVE EFFECTIVE DATE.

HOUSE BILL NO. 17
BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO INCOME TAX; AMENDING SECTION 63-3025, IDAHO CODE, TO PROVIDE THAT S CORPORATIONS SHALL BE SUBJECT TO TAX ON THE AMOUNT OF NET RECOGNIZED BUILT-IN GAIN ATTRIBUTABLE TO THIS STATE AND EXCESS NET PASSIVE INCOME ATTRIBUTABLE TO THIS STATE;

AMENDING SECTION 63-3025A, IDAHO CODE, TO PROVIDE THAT S CORPORATIONS SHALL BE SUBJECT TO TAX ON THE AMOUNT OF NET RECOGNIZED BUILT-IN GAIN ATTRIBUTABLE TO THIS STATE AND EXCESS NET PASSIVE INCOME ATTRIBUTABLE TO THIS STATE AND TO MAKE A TECHNICAL CORRECTION; DECLARING AN EMERGENCY AND PROVIDING A RETROACTIVE EFFECTIVE DATE.

HOUSE BILL NO. 18
BY JUDICIARY, RULES, AND ADMINISTRATION
COMMITTEE

AN ACT

RELATING TO CRIMINAL CONDUCT; AMENDING SECTION 18-101A, IDAHO CODE, TO REVISE DEFINITIONS AND TO DEFINE "PAROLEE," "PROBATIONER" AND "SUPERVISING OFFICER"; AND AMENDING SECTION 18-6110, IDAHO CODE, TO PROVIDE THAT IT IS A FELONY FOR A SUPERVISING OFFICER TO HAVE SEXUAL CONTACT WITH ANY PAROLEE OR PROBATIONER WHO IS NOT THE SUPERVISING OFFICER'S SPOUSE, TO PROVIDE REFERENCES TO PAROLEES AND PROBATIONERS AND TO MAKE TECHNICAL CHANGES.

HOUSE BILL NO. 19
BY JUDICIARY, RULES, AND ADMINISTRATION
COMMITTEE

AN ACT

RELATING TO COORDINATED FAMILY SERVICES; AMENDING CHAPTER 14, TITLE 32, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 32-1407, IDAHO CODE, TO REQUIRE CRIMINAL HISTORY CHECKS FOR FAMILY COURT SERVICES COORDINATORS PRIOR TO APPOINTMENT AND TO PROVIDE FOR THE MAINTENANCE OF ALL BACKGROUND CHECK RECORDS.

HOUSE BILL NO. 20
BY JUDICIARY, RULES, AND ADMINISTRATION
COMMITTEE

AN ACT

RELATING TO DOMESTIC RELATIONS; AMENDING CHAPTER 7, TITLE 32, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 32-717E, IDAHO CODE, TO PROVIDE FOR THE APPOINTMENT OF SUPERVISED ACCESS PROVIDERS, TO PROVIDE THAT QUALIFICATIONS AND DUTIES SHALL BE SPECIFIED BY SUPREME COURT RULE, TO REQUIRE CRIMINAL HISTORY CHECKS AND TO PROVIDE THAT ALL BACKGROUND CHECKS SHALL BE MAINTAINED IN THE OFFICE OF THE IDAHO SUPREME COURT.

HOUSE BILL NO. 21
BY JUDICIARY, RULES, AND ADMINISTRATION
COMMITTEE

AN ACT

RELATING TO THE CHILD PROTECTIVE ACT; AMENDING SECTION 16-1602, IDAHO CODE, TO REMOVE THE DEFINITION FOR "CHILD ADVOCATE COORDINATOR," TO REVISE A DEFINITION AND TO DEFINE "GUARDIAN AD LITEM COORDINATOR"; AMENDING SECTION 16-1632, IDAHO CODE, TO REVISE DESCRIPTIVE LANGUAGE, TO REVISE PROVISIONS APPLICABLE TO THE STANDARDS AND DUTIES OF GUARDIAN AD LITEM COORDINATORS AND TO REQUIRE CRIMINAL HISTORY CHECKS; AMENDING SECTION 16-1638, IDAHO CODE, TO REVISE PROVISIONS RELATING TO THE DISBURSEMENT OF MONEYS IN THE GUARDIAN AD LITEM ACCOUNT; AND AMENDING SECTION 16-1639, IDAHO CODE, TO REVISE PROVISIONS APPLICABLE TO GUARDIAN AD LITEM GRANTS.

H 10, H 11, H 12, H 13, H 14, H 15, H 16, H 17, H 18, H 19, H 20, and H 21 were introduced, read the first time by title, and referred to the Judiciary, Rules, and Administration Committee for printing.

There being no objection, the House advanced to the Sixteenth Order of Business.

Adjournment

Mr. Moyle moved that the House adjourn until 11:45 a.m., Wednesday, January 17, 2007. Seconded by Ms. Jaquet. Motion carried.

Whereupon the Speaker declared the House adjourned at 12 p.m.

LAWERENCE DENNEY, Speaker

ATTEST:

PAMM JUKER, Chief Clerk